

Service Date: November 30, 1983

DEPARTMENT OF PUBLIC SERVICE REGULATION
BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MONTANA

IN THE MATTER OF THE APPLICATION OF)
THE MONTANA POWER COMPANY FOR)
AUTHORITY TO ISSUE NOT TO EXCEED) DOCKET NO . 83.11.77
100,000 SHARES OF COMMON STOCK) ORDER NO. 5033
PURSUANT TO ITS DEFERRED SAVINGS PLAN.)

On November 16, 1983, The Montana Power Company ("Applicant") filed with the Public Service Commission its verified Application, pursuant to Sections 69-3-501 through 69-3-507 of the Montana Code Annotated (MCA), seeking an order authorizing it to issue not to exceed 100,000 shares of common stock in connection with its Deferred Savings Plan (the "Plan").

The Application is supported by exhibits and data in accordance with the Commission practice and rules and regulations governing such guarantees by public utilities operating within the State of Montana.

The Application states that Applicant is a public utility, as defined in MCA §69-3-101, in that it furnishes electric and natural gas service in the State of Montana; that Applicant's principal executive office is at 40 East Broadway, Butte, Montana; and that Applicant is duly qualified to do business in the States of Montana, Wyoming and Idaho. For detailed information with respect to the general character of Applicant's business and the territory served by it, reference is made to the Application.

The Application states that:

(1) The Plan is a continuation and modification of a prior payroll savings plan and is available to all employees who have completed one year of full-time employment with the

Applicant. Amounts which may be deferred range from 2% to 6%, depending on length of service, and the Applicant's matching contribution ranges from 50% to 70% of that amount, also depending upon length of service.

(2) Amounts deferred are not taxable to the employee until withdrawn, pursuant to Section 401(k) of the Internal Revenue Code. The plan contains non-discrimination features.

(3) The Applicant expects to continue the Plan indefinitely.

The Application includes opinions of counsel regarding the legality and the propriety of the proposed issuance.

Notice of the filing of the Application has been given by inclusion of notice thereof in the Commission Agenda for November 21, 1983.

Having fully considered the Application and all the data and records pertaining thereto on file with the Commission and being fully advised in the premises, the Commission makes the following:

FINDINGS OF FACT

1. That Applicant, The Montana Power Company, is a corporation organized and existing under and by virtue of the laws of the State of Montana and is qualified to transact business in the State of Montana.

2. That Applicant is operating as a public utility, as defined in MCA §69-3-101, and, as such, is engaged in furnishing electric and natural gas utility service in the State of Montana.

3. That the Commission has jurisdiction over the subject matter of the Application under MCA §§69-3-501 through 69-3-507, inclusive.

4. That the issuance of common stock in the manner described in the Application, as proposed herein by the Applicant, and as hereinafter authorized, will be for a lawful purpose and is consistent with the public interest; that such issuance is appropriate for and consistent with the proper performance by Applicant of service as a public utility.

5. That notice of the filing of the Application has been duly given; that due consideration has been given to the matters presented and filed in connection therewith; and that the Application should be approved as hereinafter ordered.

CONCLUSION OF LAW

That the Application herein complies with MCA §§69-3-501 through 69-3-507, inclusive, and other laws of Montana as aforesaid and the same should be granted as hereinafter ordered.

ORDER

NOW, THEREFORE, at a session of the Public Service Commission of the State of Montana, held in its office at 1227 11th Avenue, Helena, Montana, on November 28, 1983, there regularly came before the Commission for final action the matters and things in this Docket. The Commission being fully advised in the premises makes and enters the following Orders:

IT IS ORDERED that the Application of Applicant, The Montana Power Company, for an order authorizing the issuance and sale of equity securities in the manner and for the purposes described in the Application by Applicant is hereby approved and authorized subject to the provisions of this Order pursuant to MCA §§69-3-501 through 69-3-507, inclusive.

IT IS FURTHER ORDERED that the foregoing authorization is without prejudice to the regulatory authority of this Commission with respect to rates, service, accounts, valuations, estimates or determinations of cost, or any other matter subject to its jurisdiction as provided by law.

IT IS FURTHER ORDERED that nothing in this Order or any act or deed done and

performed in connection herewith shall be construed to obligate the State of Montana or pay or guarantee in any manner whatsoever any security authorized by this Order or authorized, issued, assumed, or guaranteed under the provisions of MCA §§69-3-501 through 69-3-507, inclusive.

Issuance of this Order does not mean acceptance of the Applicant's exhibits or other material accompanying the Application for any purpose other than in connection with this proceeding.

DONE IN OPEN SESSION at Helena, Montana, this 28th day of November, 1983 by a 5 – 0 vote.

THOMAS SCHNEIDER, Chairman

CLYDE JARVIS, Commissioner

HOWARD L. ELLIS, Commissioner

JOHN B. DRISCOLL, Commissioner

DANNY OBERG, Commissioner

Madeline Cottrill

Secretary

(Seal)

Any interested party may request the Commission to reconsider this decision. A motion to reconsider must be filed within ten (10) days. See 28.2.1806, ARM.